

AR52

Arch 3/6



Annual Report 1960

CANADIAN BRONZE COMPANY
L I M I T E D



CANADIAN BRONZE COMPANY L I M I T E D

DIVISIONS

MONTREAL BRONZE, LIMITED

NORTHWESTERN BRASS, LIMITED

ST. THOMAS BRONZE COMPANY, LIMITED

WINNIPEG BRASS LIMITED

NATIONAL BRONZE COMPANY, LIMITED



CANADIAN BRONZE COMPANY L I M I T E D

EXECUTIVE OFFICES . 999 DE LORIMIER AVE., MONTREAL

DIRECTORS

STEWART G. BENNETT, M.C.

H. CARSON FLOOD

HON. WILFRID GAGNON, C.B.E.

C. HOWARD GORDON

RICHARD O. JOHNSON

DONALD M. LOUCKS

W. F. MACKLAIR, Q.C.

A. JACK MOORE

R. JAMES PINCHIN

EXECUTIVE OFFICERS

D. M. LOUCKS, *President and Managing Director*

A. J. MOORE, *Executive Vice-President*

R. B. SIMPSON, *C.A., Treasurer*

R. W. GILLAN, *Asst. Secretary*

SOLICITORS

BOURGEOIS, DOHENY, DAY & MACKENZIE

TRANSFER AGENTS

THE ROYAL TRUST COMPANY

Montreal and Toronto

REGISTRARS

THE TORONTO GENERAL TRUSTS CORPORATION

Montreal and Toronto



CANADIAN BRONZE COMPANY L I M I T E D

REPORT TO THE SHAREHOLDERS

Your Directors submit herewith the Annual Report of your Company, together with the Consolidated Balance Sheet and Financial Statements for the year ended December thirty-first, nineteen hundred and sixty, with comparative figures for the previous year.

Consolidated Net Earnings for the year amounted to \$307,007, equal to \$1.68 per share on the common stock. The following convenient summary shows comparative figures for recent years:

	Net Earnings	Per Share
1960	\$307,007	\$1.68
1959	401,646	2.27
1958	277,778	1.50

Sales volume was down 20% from the previous year reflecting the drop in carloadings and in general business activity.

Capital expenditures amounted to \$151,000. This amount included low frequency induction melting furnaces for the Montreal plant, benefits from which will be reflected in subsequent years' operations. The foundries in Winnipeg were further consolidated during the year 1960 and all our foundry work in that area is now, for the first time, being performed in a single plant.

Our plants and equipment have been maintained in efficient operating condition and our manufacturing activities are constantly under review with due regard to changing patterns in our industry.

During the year an additional 1,335 Class "B" shares of The Robert Mitchell Co., Limited were purchased. Our investment in that Company now comprises 210,510 out of its total 223,866 outstanding Class "B" shares, or 94% thereof. Earnings of The Robert Mitchell Co., Limited for the year amounted to \$171,306. Dividends aggregating \$167,900 were paid on its Class "A" shares; accumulated unpaid dividends on these shares, none of which are owned by your Company, increased by \$55,966 and aggregated \$279,832 at December 31, 1960.

In the fields covered by Mitchell's operations economic conditions were unfavourable in 1960. However, following various economies, an aggressive sales policy and a re-alignment of internal responsibilities the Company was able to earn the moderate profit above stated.

It is with regret that we record the death of the Honourable D. Laurence MacLaren, P.C., on September 7th, 1960. Mr. MacLaren had been a valued member of your Board of Directors since 1951.

Your Directors wish to express their appreciation of the services rendered by the officers and employees of the Company during the year.

On behalf of the Board,

MONTRAL, QUEBEC,
MARCH 7, 1961.



Note: The above report will be presented at the Annual General Meeting of the Company's Shareholders to be held on April 19th, 1961, at 2.30 P.M.



CANADIAN BRONZE

AND WHOLLY OWNED

CONSOLIDATED BALANCE SHEET

(with comparative figures)

ASSETS

	1960	1959
Current Assets		
Cash.....	179,061	103,214
Marketable investments—at cost, less reserve (quoted market value 1960 \$822,000 1959 \$889,300).....	786,569	886,286
Accounts receivable, less provision for doubtful accounts.....	259,376	383,213
Inventories—at the lower of cost or approximate market.....	1,028,917	1,022,798
Prepaid expenses.....	<u>11,229</u>	<u>12,240</u>
	<u>2,265,152</u>	<u>2,407,751</u>
Investment in Shares of a Subsidiary Company (Partly Owned)		
—at cost.....	<u>1,306,847</u>	<u>1,298,926</u>
Fixed Assets		
Land—at cost.....	388,367	388,367
Buildings and equipment—at cost.....	<u>2,630,987</u>	<u>2,489,723</u>
Accumulated depreciation.....	<u>3,019,354</u>	<u>2,878,090</u>
Contracts, Rights, Patents and Goodwill.....	<u>2,001,601</u>	<u>1,907,504</u>
	<u>1,017,753</u>	<u>970,586</u>
	<u>1</u>	<u>1</u>
	<u>\$4,589,753</u>	<u>\$4,677,264</u>

Approved on behalf of the Board:

D. M. LOUCKS }
A. J. MOORE } *Directors.*

C O M P A N Y , L I M I T E D
IDIARY COMPANIES

A S AT D E C E M B E R 31, 1960

(previous year)

L I A B I L I T I E S

Current Liabilities

	1960	1959
Accounts payable and accrued liabilities.....	412,044	385,816
Dividends payable—		
Preference shares.....	9,375	9,375
Common shares.....	60,000	60,000
Income and other taxes.....	<u>168,075</u>	<u>311,321</u>
	<u>649,494</u>	<u>766,512</u>

Shareholders' Equity

5% cumulative redeemable preference stock:
(redeemable only as a whole at \$105 per share on 30 days' notice)

Authorized—		
15,000 shares of \$100 par value.....	<u>\$1,500,000</u>	
Issued and fully paid—		
7,500 shares.....	750,000	750,000
Common stock—		
Authorized—		
200,000 shares without nominal or par value		
Issued and fully paid—		
160,000 shares.....	197,395	197,395
Retained earnings.....	<u>2,992,864</u>	<u>2,963,357</u>
	<u>3,940,259</u>	<u>3,910,752</u>
	<u>\$4,589,753</u>	<u>\$4,677,264</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Canadian Bronze Company, Limited and wholly owned subsidiary companies as at December 31, 1960 and the consolidated statements of earnings and retained earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In accordance with the provisions of section 118 of the Companies Act, we report that the profits for the year of the partly owned subsidiary company have not been included in the accompanying accounts.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the companies, the accompanying consolidated balance sheet and consolidated statements of earnings and retained earnings are properly drawn up so as to exhibit a true and correct view of the consolidated state of the affairs of the companies as at December 31, 1960 and the consolidated results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

McDONALD, CURRIE & CO.
Chartered Accountants.

March 6, 1961



CANADIAN BRONZE

CONSOLIDATED STATEMENT OF EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1960
(with comparative figures for the previous year)

	1960	1959
Earnings from Operations, before the following.....	802,777	923,019
Remuneration of executive officers and legal fees.....	106,391	94,867
Fees of other directors.....	17,095	16,090
Provision for depreciation of fixed assets.....	98,942	84,461
	<hr/> 222,428	<hr/> 195,418
	<hr/> 580,349	<hr/> 727,601
Revenue from Investments and Rentals.....	36,658	59,045
	<hr/> 617,007	<hr/> 786,646
Provision for Income Taxes.....	310,000	385,000
	<hr/> \$ 307,007	<hr/> \$ 401,646

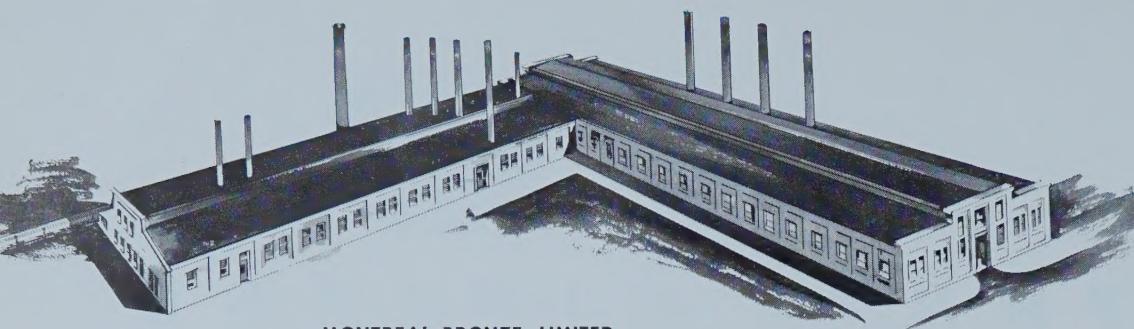
C O M P A N Y , L I M I T E D
A N D W H O L L Y O W N E D S U B S I D I A R Y C O M P A N I E S

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1960
(with comparative figures for the previous year)

	1960	1959
Balance—Beginning of Year	2,963,357	2,304,211
Net earnings for the year.....	307,007	401,646
Transfer of reserves no longer required—		
Inventories.....	—	350,000
Contingencies.....	—	125,000
Doubtful accounts receivable.....	—	60,000
	<hr/>	<hr/>
	3,270,364	3,240,857
	<hr/>	<hr/>
Dividends paid and payable—		
Preference.....	37,500	37,500
Common.....	240,000	240,000
	<hr/>	<hr/>
	277,500	277,500
	<hr/>	<hr/>
Balance—End of Year	\$2,992,864	\$2,963,357
	<hr/>	<hr/>

FOUR PLANTS MANUFACTURING BRONZE FOR CANADIANS SINCE 1896



MONTREAL BRONZE, LIMITED

999 Delormier Avenue

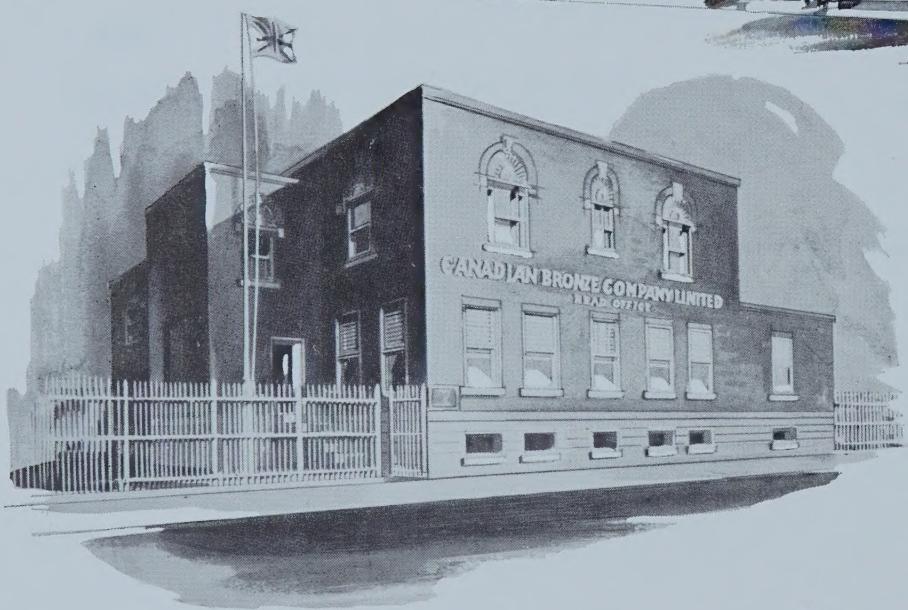
Montreal, Que.



WINNIPEG BRASS LIMITED

600 Clifton Street

Winnipeg, Manitoba

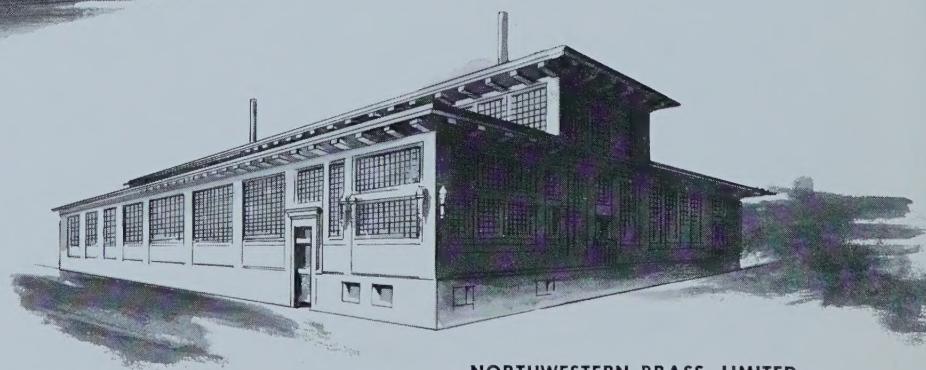


HEAD OFFICE

CANADIAN BRONZE COMPANY, LIMITED

999 Delormier Avenue

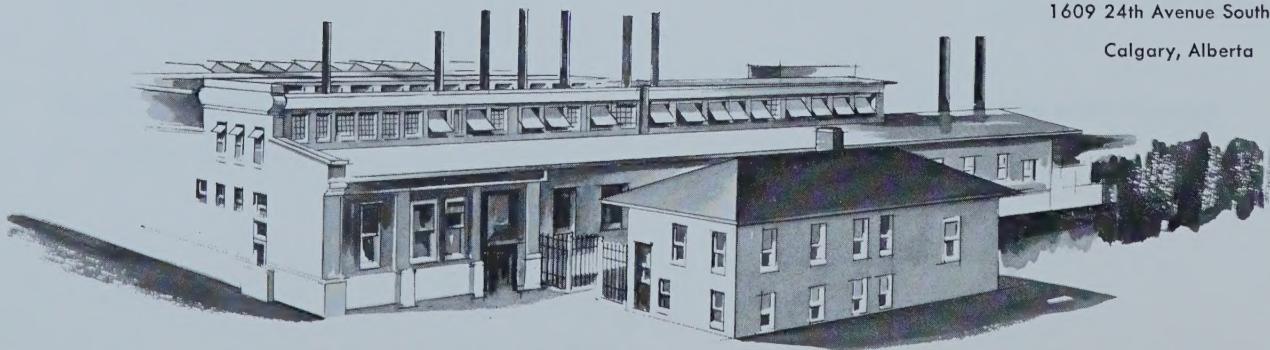
Montreal, Que.



NORTHWESTERN BRASS, LIMITED

1609 24th Avenue South East

Calgary, Alberta



NORTHWESTERN BRASS, LIMITED, 13 Bury Street, Winnipeg, Manitoba





NOTICE

ANNUAL GENERAL MEETING

of

SHAREHOLDERS

of

CANADIAN BRONZE COMPANY,
LIMITED

MONTREAL, CANADA

CANADIAN BRONZE COMPANY, LIMITED

Montreal, April 5th, 1960

Notice is hereby given that the Annual General Meeting of Shareholders of CANADIAN BRONZE COMPANY, LIMITED, will be held at the Head Office of the Company, 999 Delorimier Avenue, in the City of Montreal on Wednesday, the 20th day of April, 1960, at 2.30 o'clock P.M. for the following purposes—to wit:

- (a) Receiving the Balance Sheet and Statement of Income and Expenditure and Statement of Surplus of the Company for the year ended 31st December 1959 and the Report of the Auditors in connection therewith;
- (b) Election of Directors for the ensuing year;
- (c) Appointment of Auditors for the ensuing year;
- (d) Transacting all such other business as may properly come before the Meeting.

W. C. PAQUETTE,
Secretary.

N.B.—If you are unable to attend this meeting, please execute and return the attached form of proxy in the enclosed addressed envelope.

No. Shares.....

CANADIAN BRONZE COMPANY, LIMITED

PROXY

KNOW ALL MEN BY THESE PRESENTS that the undersigned Shareholder of CANADIAN BRONZE COMPANY, LIMITED, doth hereby constitute and appoint D. M. Loucks, Director, and A. J. Moore, Director, and S. G. Bennett, M. C., Director, and each of them, the true and lawful attorneys and proxies and attorney and proxy of the undersigned, with power of substitution, for and in the name and on behalf of the undersigned to attend the Annual General Meeting of the Shareholders of the said Company to be held on the 20th day of April, 1960, and any adjournment or adjournments thereof, and to vote thereat in respect of any and all common shares registered in the name of the undersigned on the books of the said Company, and generally to exercise all the powers which the undersigned would possess if personally present.

IN WITNESS WHEREOF these presents have been executed
by the undersigned, this.....day
of.....1960.

.....
Shareholder.

MRS JANE LYNCH
18 ANGELL AVE
BEACONSFIELD QUE